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RUEHWR/AMEMBASSY WARSAW IMMEDIATE 0137

RUEHWL/AMEMBASSY WELLINGTON IMMEDIATE 0581

RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE

RHEHNSC/NSC WASHDC IMMEDIATE

RUEKJCS/SECDEF WASHDC IMMEDIATE

RHHMUNA/USCINCPAC HONOLULU HI IMMEDIATE

C O N F I D E N T I A L JAKARTA 002110

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E.O. 12958: DECL: 02/16/2016
TAGS: MASS MARR PREL PGOV ID

SUBJECT: INDONESIA: POLAND PLANS DEFENSE INDUSTRIAL

COOPERATION

Classified By: POLITICAL OFFICER RAYMOND RICHHART. REASONS 1.4 (B) AND (D).

- 11. (C) Polish Ambassador Tomasz Lukaszuk previewed with the Ambassador February 16 the upcoming visit to Jakarta of Polish Minister of National Defense Radoslaw Sikorski. Lukaszuk noted that NATO Ambassadors in Jakarta had agreed in 2000 to cooperate on defense matters and inform counterparts of bilateral initiatives. In that spirit he wanted to inform the U.S. that Minister Sikorski was coming to Indonesia to complete an Agreement on Defense Cooperation and an MOU on Defense Industries.
- 12. (C) Lukaszuk said that Indonesia had already purchased Polish-built 14-seat M-28 "Skytruck" aircraft and small MI-2 Plus helicopters. Following completion of the Defense Agreement and MOU, Poland would also begin to produce in Indonesia radars and small patrol boats (in Surabaya). He said also that the Polish arms firm Bumar Labedy SA was "in advanced negotiations" with the Indonesian Armed Forces (TNI) to produce surface-to-surface missiles.
- 13. (C) The Ambassador described to Lukaszuk the bilateral U.S.-Indonesian military relationship following the Administration's decision in November to waive Congressional restrictions. He explained that the "embargo" on military sales had been lifted, and noted that Indonesia would probably not buy large quantities of U.S. military equipment in the short term. He said the TNI seemed most interested in purchases of C-130 parts and repair of its F-16s, and the U.S. would stress training and TNI reform.
- 14. (C) The Ambassador said that the U.S. had concerns in three areas regarding Indonesian arms purchases. First, it should exercise care not to introduce inefficiencies by having a hodge-podge of systems. Second, Indonesian arms purchases should be used to promote TNI's modernization and suppliers should promote purchases through the Ministry of Defense in a transparent, open, and regular manner. The Ambassador also noted U.S. concerns regarding any sales of MANPADS and MANPADS technology. Lukaszuk assured the Ambassador that the missiles Bumar Labedy planned to manufacture in Indonesia were surface-to-surface and that Poland would consider U.S. concerns regarding MANPADS and focus on other types of missiles. PASCOE